

# Panchayati Raj System towards Changing Rural India

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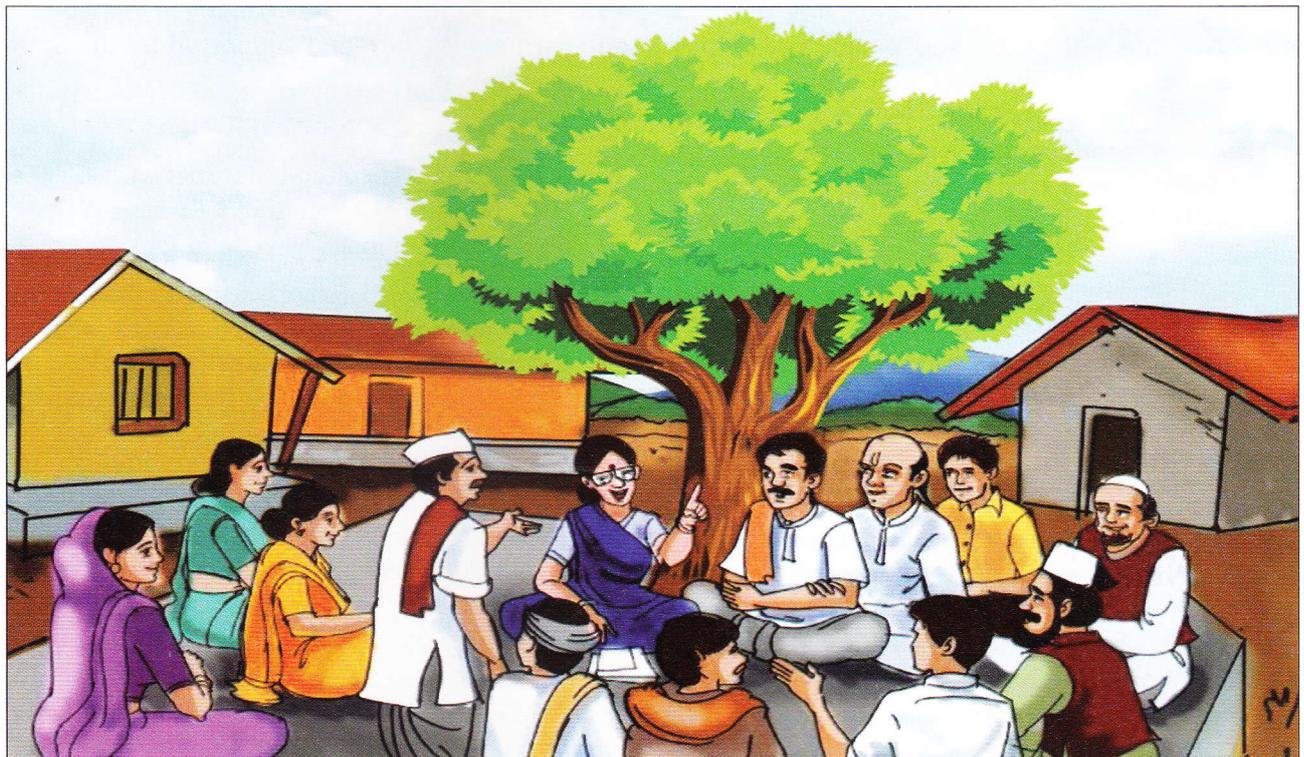
Since the Panchayati Raj Institutions (PRIs) got constitutional status in 1992, these institutions of local self-governance have taken major responsibilities of playing a critical role in implementing mega schemes of the government while ensuring people's participation in governance structure of the villages.

**P**anchayati Raj system has existed since ancient times in India. Villages used to have Panchayat (council of five persons) who would have both executive and judicial powers or authority to settle disputes in the village. The institution of Panchayat used to represent not only the collective will, but also the collective wisdom of the entire rural community. Father of the Nation Mahatma Gandhi advocated Panchayati Raj as the foundation of India's political system where a decentralised form of governance structure is established at each village. The term 'Gram Swaraj' (village self-governance) was the vision of Gandhi ji. He advocated empowerment of panchayats for the development of rural areas.

Recognising the importance of panchayats, the Constitution makers included provision of panchayats in the part IV (Directive Principles of State Policy) of the Indian Constitution. The Article

40 of the Constitution conferred the responsibility upon the state to take steps to organise village panchayats and endow them with such power and authority as may be necessary to enable them to function as units of self-government.

Just prior to India's independence, Bihar was the first to adopt the Panchayati Raj System in 1947 which was a similar system of local self-government started by Lord Ripon in British era. In the post-independence phase, the Balwant Rai Mehta Committee, headed by Member of Parliament Balwant Rai Mehta, was appointed by the Government in January 1957 to examine the work of the Community Development Programme (1952) and the National Extension Service (1953), to suggest measures to improve their work. The formal organisation and structure of Panchayati Raj was firstly recommended by Balwant Rai committee. The Committee, in



1957, recommended the establishment of the scheme of 'democratic decentralisation', which ultimately came to be known as Panchayati Raj. It recommended a three-tier system at village, block and district level and it also recommended direct election of village level panchayat. On October 2, 1959, Rajasthan (Nagaur district) became the first state to introduce the panchayat system in India.

In 1977, Ashok Mehta Committee on Panchayati Raj was appointed and in 1978 submitted its report with various recommendations to revive and strengthen the declining Panchayati Raj system in the country. Its key recommendations included two tier system of panchayat, regular social audit, representation of political parties at all levels of panchayat elections, provisions for regular election, reservation to SCs/STs in panchayats and a minister for panchayati raj in state council of ministers.

In 1985, G. V. K. Rao Committee recommended measures to strengthen Panchayati Raj Institutions (PRIs). In 1986, for the first time recommended for the constitutional status of PRIs and suggested for constitutional provisions to ensure regular, free and fair elections to the Panchayati Raj Bodies.

A legislation was introduced in the Lok Sabha by the then Prime Minister Shri Rajiv Gandhi led government in 1989 to constitutionalise PRIs, but the bill was not passed in Rajya Sabha. The then Prime Minister V P Singh led government also brought a bill, but fall of the government resulted in lapse of the bill. Subsequently, Prime Minister P V Narashima Rao led government introduced a bill for providing constitutional backing to PRIs in Lok Sabha in September, 1991. This bill was eventually known as the 73<sup>rd</sup> Constitutional Amendment Act, 1992 and came into force on 24<sup>th</sup> April, 1993.

### Key Elements of 73rd Amendment Act 1992

A new part-IX to the constitution was added under the 73rd Amendment enacted in 1992. The Article 243G of the Constitution intended to empower the Gram Panchayats (GPs) by enabling the State Governments to devolve powers and authority in respect of all 29 Subjects listed in the Eleventh Schedule for local planning and implementation of schemes for economic development and social justice. Some provisions

## Role of PRIs in Implementation of Mega Social Sector Scheme

### MGNREGA: PRIs have key implementation role

The PRIs have been playing a critical role in implementation of Mahatma Gandhi National Rural Employment Guarantee (MGNREGA), since its launch in 2006. MGNREGA one of the largest employment generating schemes which provides alternative employment to the people in rural areas through providing guaranteed employment of 100 days to each rural household. The programme has 261 permissible works out of which around 164 types of works are relating to agriculture and allied activities including water conservation. The thrust of the government in creation of individual assets on water conservation and irrigation which would boost the agriculture sector. For strengthening the process of decentralisation, a significant role to PRIs in planning and implementing these works. For dealing with situation arising from COVID-19 spread, the permissible works under MGNREGA had been enhanced to 262 numbers by adding unskilled wage component of 230 person-days for construction of Community Sanitary Complexes in convergence with Swachh Bharat Mission (Grameen).

The Gram Sabhas has to recommend the works that are to be undertaken and at least 50 percent of the works must be executed by PRIs. PRIs are primarily responsible for planning, implementation and monitoring of the works that are undertaken. For 2020-21, Rs. 61,500 crore was initially allocated. However, for providing additional employment opportunities under AatmaNirbhar Bharat Abhiyaan for dealing with COVID19, the government has made additional allocation of Rs. 40,000 crore to MGNREGA. This allocation indicates enormous responsibility bestowed on the PRIs in implementation of mega schemes.

of this amendment are binding on the States and others have been left to be decided by respective State Legislatures at their discretion

### Organisation of Gram Sabhas

- Creation of a three-tier Panchayati Raj Structure at the District (Zila), Block and Village levels
- Most of these posts at three levels to be filled by direct elections
- Minimum age for contesting elections to the PRIs is 21 years
- Only the post of Chairman at the District and Block levels should be filled by indirect election
- Provision for reservation of seats for Scheduled Castes and Scheduled Tribes in Panchayats, in

proportion to their population, and for women in Panchayats up to one-third seats

- State Election Commission to be set up in each State to conduct elections to PRIs
- The tenure of PRIs is five years, if dissolved earlier, fresh elections to be held within six months; and
- Creation of a State Finance Commission in each state every five years.

Some of the provisions which are not binding on the States, however, considered as only guidelines include giving representation to the members of Central and State legislatures in district and middle-level PRIs, provisions of reservation for backward classes and financial powers to PRIs such as taxes, levy fees etc.

### Composition of Panchayats

PRIs were established as a three-tier structure based on direct elections at all the three tiers - village (gram panchayat), intermediate (panchayat samiti) and district (Zila Parishad). Exemption from the intermediate tier is given to the small States having less than 20 lakhs population.

The State Legislatures were expected to empower Panchayats with such powers and authority as may be necessary to enable the Panchayats to become institutions of self-government at the grassroots level. The functions which could be devolved to PRIs include preparing plans for economic development and social justice. Schemes of economic development and social justice with regard to 29 important matters mentioned in XI schedule such as agriculture, primary and secondary education, health and sanitation, drinking water, rural housing, the welfare of weaker sections, social forestry etc.

### Three-tier Structure of Panchayati Raj

#### Gram Panchayat

The civic functions relating to sanitation, cleaning of public roads, minor irrigation, public toilets and lavatories, primary health care, vaccination, the supply of drinking water, constructing public wells, rural electrification, social health and primary and adult education, etc. are obligatory functions of village panchayats. Functions like preparation of annual development

### PRIs' Critical Role in Jal Jeevan Mission

Role of PRIs has emphasised in implementation of Jal Jeevan Mission (JJM), a flagship programme launched by the Prime Minister Shri Narendra Modi in 2019, aims to provide all rural households with tap water supply in adequate quantity and of prescribed quality by 2024. JJM aimed at providing functional household tap connections to every rural household of the country by the year 2024. During the current fiscal (2019-20), Rs.8,050 crore have been made available to the States for implementation of JJM by the central government.

Following the spirit of 73<sup>rd</sup> Amendment of the Constitution, under JJM, local village community, Gram Panchayats and user groups are being involved in planning, implementation, management, operation and maintenance of water supply systems in villages to ensure long-term sustainability to achieve drinking water security. In every Gram Panchayat, the sub-committee- Village Water & Sanitation Committee or Paani Samitis have been constituted for planning at village level.

The role of gram panchayats has been to identify beneficiaries under the Pradhan Mantri Awaas Yojana – Gramin is a flagship scheme of the Government. The scheme provides assistance to BPL families who are either houseless or having inadequate housing facilities for constructing a safe and durable shelter.

Under the Centrally Sponsored Scheme - Rashtriya Gram Swaraj Abhiyan, which is being implemented from 2018-19 to 2021-22, with the primary aim of developing governance capabilities of PRIs to deliver on Sustainable Development Goals with the main thrust on convergence with Mission Antyodaya and emphasis on strengthening PRIs in the 117 Aspirational districts.

plan of panchayat area, annual budget, relief in natural calamities, removal of encroachment on public lands and implementation and monitoring of poverty alleviation programmes were expected to be performed by panchayats.

#### Panchayat Samiti

The second or middle tier of the Panchayati Raj is Panchayat Samiti, which provides a link between Gram Panchayat and Zila Parishad. The strength of a Panchayat Samiti also depends on the population in a Samiti area. In Panchayat Samiti, some members are directly elected. Sarpanchs of Gram Panchayats are ex-officio members of Panchayat Samiti. Panchayat Samitis are the main hub of developmental activities. Some functions

are entrusted to them like agriculture, land improvement, watershed development, social and farm forestry, technical and vocational education, etc.

### Zila Parishad

Zila Parishad or district Panchayat is the uppermost tier of the PRIs. This institution has some directly elected members whose number differs from State to State as it is also based on population. Chairpersons of Panchayat Samitis are ex-officio members of Zila Parishads. Members of Parliament, Legislative Assemblies and Councils belonging to the districts are also nominated members of Zila Parishads. It prepares district plans and integrates Samiti plans into district plans for submission to the State Government. Zila Parishad looks after development works in the entire district.

Since the passage of 73<sup>rd</sup> constitutional amendment, there has been substantial progress in terms of implementing the key aspects of the legislation.

- All the states and UTs have passed conformity acts
- State Election Commissions have been established and regular elections have been conducted under their supervision in all States.
- State Finance Commissions have been constituted in all States and their recommendations obtained.
- Infrastructure and governance systems in panchayats across the country have improved significantly.

### Devolution of Funds, Function and Functionaries to PRIs

The funds, function and functionaries that form the three main components of the devolution of power vary across states. A devolution report published by the Ministry of Panchayati Raj in 2015-

16, stated that devolution has two main aspects: the operational core that includes funds, function, functionaries, and the support system that includes capacity building of PRIs, operationalising constitutional mechanisms and introducing systems of transparency and accountability. In terms of devolving function, functionary and finance, Kerala, Tamil Nadu, Maharashtra, and Karnataka have performed better than other states. However, most of the states have made substantial progress in devolution of funds, functions and functionaries to PRIs.

Another critical aspect of legislation following the 73<sup>rd</sup> amendment was insertion of a clause under the article 280 (3) (bb) of the constitution that the Union Finance Commission would recommend measures to supplementing the resources of the Panchayats in the state on the basis of the recommendation of Finance

Commission of the State.

### Rising Financial Devolution to PRIs

- Beginning with the Tenth Finance Commission (1995-2000), an amount of Rs.3576 crore was released to the States. The Commission did not have terms of reference for local bodies, but it recommended Rs.100 per capita grants to the rural population as per the 1971 Census to PRIs. It worked out to Rs.4380 crore to discharge the new roles assigned to PRIs.
- The Eleventh Finance Commission (2000-2005) recommended the grant of Rs. 8,000 crore for Panchayats. The untied grant was to be used for maintenance of accounts and audit followed by the development of a financial database. The remaining amount was to be utilised for maintenance of core services like primary education, health care, drinking water provision, street lighting and sanitation in the villages. During 2000-2005, Rs.6601 crore was released to the states.

- The Twelfth Finance Commission (2005-2010) had recommended Rs. 20,000 crore grants for the PRIs, against which an amount of Rs.18,926 crore was released to the PRIs in 27 States.
- The actual release of grants during the thirteen finance commission (2010-15) was Rs.58,256 crore, which was 89.4 percent of allocation.
- The grants of fourteenth finance commission (2015-20), had been to the tune of Rs.1,80,237 crore released for the Gram Panchayats in 26 states.
- For the period FY 2020-21, the Fifteenth Finance Commission has awarded a grant of Rs. 60,750 crore, for Rural Local Bodies (RLBs) in 28 states which has been the highest annual Finance Commission allocation for the RLBs so far.

**On April, 24 (National Panchayati Raj Day), 2020, Prime Minister Shri Narendra Modi had launched a unified e-GramSwaraj Portal and mobile application and Swamitya scheme. The e-Gram Swaraj helps prepare and execute Gram Panchayat Development Plans. The portal will ensure real time monitoring and accountability. The portal is a major step towards digitization down to the Gram Panchayat level. The Swamitya scheme which is launched in pilot mode in six states helps to map rural inhabited lands using drones and latest survey methods. The scheme will ensure streamlined planning, revenue collection and provide clarity over property rights in rural areas.**

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drones and latest survey methods. The scheme will ensure streamlined planning, revenue collection and provide clarity over property rights in rural areas.

“Every village has to be self-sufficient enough to provide for its basic needs,” Shri Modi had said. He also stated that the Government worked hard in trying to provide self-sufficiency to villages and making the Gram Panchayats stronger.

Since getting Constitutional status in 1992, PRIs have played a critical role in the development process of the villages. With the government relying more and more on PRIs for implementation of mega development programmes, PRIs have cemented their position in the rural governance structure.

**Table**

No of the PRIs in the country	2,76,718
No of gram panchayat	2,69,347
No of block panchayats	6717
No of district panchayats	654
No of elected members of PRIs	30.45 lakh
No of elected women representatives	13.79 lakh (45%)

Source: Ministry of Panchayati Raj, \*areas not covered by PRIs (Meghalaya, Mizoram, Nagaland, parts of hilly areas of Manipur, Darjeeling and parts of Assam and Tripura)

The government has initiated several measures such as incentivising the states which have devolved more functions, funds and functionaries to PRIs, providing financial and technical assistance for capacity building to PRIs to enable them to perform the devolved functions effectively and strengthening systems of budgets, accounting and auditing for bringing in transparency, accountability and efficiency in the functioning of PRIs.

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